October 1, 2001

Ms. Magalie Roman Salas Secretary Federal Communications Commission 455 12th Street, S.W. Washington, D.C. 20554

Re: Ex Parte Meeting In the Matter of Federal-State Joint Board on Universal Service, et al. CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-116

Dear Ms. Salas:

BT North America Inc. ("BTNA") hereby notifies the Commission of an oral presentation on September 27, 2001 to staff in the Common Carrier Bureau following up on comments filed in the above-referenced proceeding. BTNA argued that the benchmark for the international exception should be raised from 8 to 12.75 percent in order to provide a margin of safety above the current and potentially increasing universal service contribution factor. In addition, BTNA argued that revenue for transmission of video programming should be not subject to universal service reporting or assessments. BTNA discussed how its Broadcast Services unit directly competes with DBS providers, Open Video Systems providers, and broadcasters who are all excluded from universal service reporting and assessments.

Please direct any questions concerning this ex parte notification to the undersigned at 202-434-8873.

Respectfully submitted,

Kristen Neller Verderame VP, U.S. Regulation & Government Relations

cc: Katherine Schroder Anita Cheng